

**DEPARTMENT OF HEALTH SERVICES**

714/744 P Street  
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(916) 657-1460



October 3, 1997

PPL No. 97-20

All County Medi-Cal Administrative Activities/  
Targeted Case Management Coordinators and  
Advisory Committee Members

**CLAIMING REIMBURSEMENT FOR PARTICIPATION FEES**

Local Governmental Agencies (LGA) participating in the Medi-Cal Administrative Activities (MAA) and/or Targeted Case Management (TCM) programs administered by the State Department of Health Services (SDHS) are required to pay a fee to the Host County to cover the costs for (1) the non-federal share of SDHS staff and related expenses, (2) the MAA/TCM Host County Liaison and (3) the contract with the California State Association of Counties (CSAC).

Fifty percent (50%) of the costs of the SDHS staff and related expenses required to administer the MAA and TCM programs are paid by the Host County contract. These costs are matched with federal funds by the State. Therefore the portion of the participation fee used to pay the non-federal share of these costs are not claimable by the LGA.

The portion of the participation fees used to pay the MAA/TCM Host County Liaison and the contract with CSAC are allowable expenditures claimable for reimbursement. These costs must be claimed in Section III of the Direct Charge Worksheet on the MAA Invoice and identified as Participation Fees in the description column. The amount should be claimed in the period in which the payment was made to the Host County and entered in the "other costs" column. A discount factor of one hundred percent (100%) should be entered in the column labeled "Medi-Cal/Certified Time Factor."

As a condition for claiming the claimable portion of the participation fee for fiscal years 1995-96, 1996-97 and 1997-98, the LGA must have executed a MAA contract with the SDHS, and obtained necessary approvals of the MAA claiming plan. Beginning with fiscal year 1998-99, LGAs who will seek reimbursement for the participation fee will be required to amend their MAA claiming plan to include specific reference to the participation fee as a cost under the category *MAA/TCM Coordination and Claims Administration*. The reference to the

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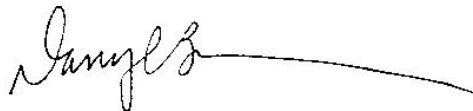
participation fee in the MAA claiming plan must be included under the LGA response to Question No. 1, "Individually list each type of allowable MAA/TCM Coordination and Claims Administration performed . . . ." Please note that amendments to the MAA claiming plan are effective the quarter in which the amendment is submitted to the SDHS. Failure to submit the required amendment to your MAA claiming plan shall result in your ineligibility to claim the participation fee for fiscal year 1998-99, and subsequent fiscal periods.

LGAs currently claiming TCM only and wish to claim reimbursement for the claimable portion of the participation fee will be required to enter into a MAA contract with the SDHS, and obtain necessary approvals of required MAA claiming plans.

The percentage of the participation fee which may be claimed for fiscal year 1995/96 is 25.61 percent. The percentage for fiscal year 1996/97 is 18.47 percent. The percentage of the participation fee claimable for fiscal year 1997-98 will be issued when available.

If you have any questions regarding this matter, please contact the Federal Liaison Unit Analyst assigned to your LGA.

Sincerely,



Darryl Nixon, Chief  
Medi-Cal Benefits Branch

Targeted Case Management:	
Medi-Cal Administrative Activities:	X
Policy Effective Date:	7-1-95
Policy Reference:	

cc: See next page

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